

Article - Corporations and Associations

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§4–401.

(a) Under a unanimous stockholders' agreement, the stockholders of a close corporation may regulate any aspect of the affairs of the corporation or the relations of the stockholders, including:

- (1) The management of the business and affairs of the corporation;
- (2) Restrictions on the transfer of stock;
- (3) The right of one or more stockholders to dissolve the corporation at will or on the occurrence of a specified event or contingency;
- (4) The exercise or division of voting power;
- (5) The terms and conditions of employment of an officer or employee of the corporation, without regard to the period of his employment;
- (6) The individuals who are to be directors and officers of the corporation; and
- (7) The payment of dividends or the division of profits.

(b) A unanimous stockholders' agreement may be amended, but only by the unanimous written consent of the stockholders then parties to the agreement.

(c) A stockholder who acquires his stock after a unanimous stockholders' agreement becomes effective is considered to have actually assented to the agreement and is a party to it:

(1) Whether or not he has actual knowledge of the existence of the agreement at the time he acquires the stock, if acquired by gift or bequest from a person who was a party to the agreement; and

(2) If he has actual knowledge of the existence of the agreement at the time he acquires the stock, if acquired in any other manner.

(d) (1) A court of equity may enforce a unanimous stockholders' agreement by injunction or by any other relief which the court in its discretion determines to be fair and appropriate in the circumstances.

(2) As an alternative to the granting of an injunction or other equitable relief, on motion of a party to the proceeding, the court may order dissolution of the corporation under the provisions of Subtitle 6 of this title.

(e) This section does not affect any otherwise valid agreement among stockholders of a close corporation or of any other corporation.

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